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Chapter 6

Innovation and Knowledge Processes in an Inter-organisational Partnership

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Abstract

This paper is based on the research being carried out with a partnership of seven charity organisations in the U.K. –the Collective. The environment in which voluntary sector organisations (VSO) operate is very dynamic and subjected to rapid changes. Uncertainty about the future is a common feature of all organisations but it is exacerbated across VSO by short and irregular funding patterns. Within this increasingly uncertain environment, the partners of the Collective are striving to improve their services focusing their attention on deciding how they could ‘manage’ what they know in new and innovative ways. In the paper, both knowledge and innovation are considered as dynamic, emergent and intrinsically linked to social action. While knowledge is generated, shared and transformed through participation in social interactions; innovation cannot be separated from the work, decision-making and learning that takes place as people engage in everyday social life. The results suggests that in the Collective’s case innovating on organisational practices has to do more with managing conflict and collaboration among the different partners than with accumulating and managing knowledge.

Keywords

Partnerships, Innovation, Collaborative work, Knowledge process, Voluntary sector organisations.

1. Introduction

The current intensified business competition, rate of technological change, and the pace of globalisation processes are radically transforming organisational life. These trends are frequently mentioned as major reasons for the increasing demands for innovation and therefore for the innovation in our current ways of organising. In trying to address these challenges, organisations are developing new working practices that shape -and are shaped by- the way people relate to each other within and across organisations.

Within this context, knowledge generation and sharing, processes integral to work co-ordination, become salient organisational issues especially given that work is increasingly accomplished in a global system that forces different organisations and actors into collaboration with one another (Kanter, 2001). However research in this area has rarely addressed the role played by collaborative work and knowledge flows in the process of creating innovative working practices (Newell, S; Swan, J.A. and Robertson, M; 1997). What is missing in most studies is the understanding of both the processes of innovation and knowledge as always related to decision-making and social action in one form or another. And this is what this paper aims to develop: a more generative interplay between innovative work processes and knowledge among the organisational members of a voluntary sector partnership.

The paper reports on the work being carried out with a collective of seven charity organisations in the U.K. As voluntary sector organisations in the U.K. strive to improve their services and capacity for thinking and working differently within an increasingly uncertain environment, their attention is becoming more focused on how they could 'manage' what they know in new and innovative ways. The charities taking part in this study aim to work together to improve their collective knowledge gathering and to think about how to decide on new and improved methods of dissemination.

The research that the paper is based on was undertaken in 2004-5 and is based on the views by the employees of the different partner organisations obtained through one-to-one in depth interviews, group discussions, document analysis and also via a survey distributed to

each of the partner agencies. The analysis of the rich material thus gained focused on providing a characterisation of the activity of collaborative organising in/among the Collective's partners as manifested through the lenses of innovation and knowledge processes. Some of the current knowledge practices of the different partner agencies were also reviewed as well as the advantages and challenges that the members of each organisation perceived in relation to collaborative work under the umbrella of the partnership.

2. Innovation, knowledge and collaborative work

Managing knowledge for its own sake adds little value to organisations –the value-added comes only when knowledge is implemented in decision-making aimed to improve, change or develop specific tasks or activities (Newell et al 2002). It is claimed therefore that one of the main purposes for managing or developing new knowledge initiatives is to innovate on organisational processes. However, standard definitions of innovation tend to denote mainly the act of creation or ideation of a new concept, or the rational exploitation and calculated progression through a preconceived pattern of processual steps towards a goal. Indeed, studies of innovation have tended to focus on the invention and distribution of physical artefacts or changes in organisation and management (Tidd et al. 2001). This artefact-based model however is being increasingly challenged by the growth of the service sector and the rise of knowledge based processes and products.

Most studies of innovation however are also underpinned by a partial view of knowledge –i.e. that knowledge is a relatively stable entity that is transferred in a more or less unchanging form through network configurations to promote innovation. Indeed, as within most of the organisational literature (Brown and Duguid, 2002; Alvesson and Kärreman, 2001) the concept of knowledge is considered here as an attribute or possession of the organisation or of its individual members -‘knowledge workers’- rather than as a dynamic generative and emergent process (Cook and Brown, 1999).

This emphasises knowledge as ‘substance’ (Brown, 2002, in Bouwen and Craps, 2004). However, what we ‘know’ and the way we

practise it emerges from the interplay between tacit and explicit knowledge -it is inter-subjective-, and is therefore inherently indeterminate and continually emerging (Tsoukas, 1996). Moreover, knowledge is always historically and culturally specific and the knowledge -and therefore the sense of 'reality'- that is shared by particular social groups, is sustained by social processes. This perspective on knowledge implies a conceptual shift away from the individual towards the collective and from possessions towards processes, with the research focus shifting towards interactions and social practices.

When it comes to consider the relationship between knowledge development, decision-making and innovation most accounts tend to be silent on the agency involved in the relationships and its implications for innovation and knowledge creation and focus mainly on knowledge transfer as an object (Nonaka and Takeuchi, 1995). This relatively neglect of agency when it comes to knowledge creation and sharing is especially problematic in relation to the uncertainty endemic in any innovation process. Indeed, innovation is inherently uncertain -it is difficult to know at the outset what will be achieved when knowledge is combined in new ways (Leonard-Barton, 1995). So while it is easy to talk about managing knowledge and innovation, this is a process that it is more difficult to achieve.

In this paper knowledge creation and innovation are considered as 'emergent properties' difficult to manage in organisations and *communities* of knowledge are seen as the best way to encourage people to participate and innovate (McElroy, 2003:138). Indeed, as Brown and Duguid (1991) propose, innovation cannot be separated from the work, decision-making and learning that takes place as people engage in everyday social life. As such, innovation can be considered as the evolution of practice - the practice of implementation consisting of numerous, small jumps in thinking and deciding . This position is far from the traditional view of innovation in which innovation is looked upon as a disruptive process carried out by experts in certain organisational functions.

Indeed, innovation is intrinsically linked to distributed group decision making and social action since it is usually achieved when people work together -often over extended periods of time- and combine their knowledge in order to generate more effective work

practices, usually in the form of new products or processes. Indeed, innovation should be conceptualised not as a material entity –the creation and establishment of the ‘new’- but as a particular combination of flows of knowledge and information (McDonald and Williams, 1992).

As a process, innovation usually involves people with different expertise and experience, from different organisations or different parts of an organisation working together. As such, the knowledge needed to develop and implement innovative working practices is often widely distributed –for example across groups or departments within the organisations -or in partnerships- across different organisations (Tsoukas, 1996). Bringing this distributed knowledge together, and getting people to ‘buy in’ the innovation process, is one of the major challenges that organisations face when implementing innovative processes. What this paper reports are the efforts of seven voluntary organisations in order to improve on their organisational processes.

According to Putnam (1995) it is in ‘exploiting’ this ‘social capital’ where the resource for innovative and supportive working practices lies. What this paper presents is a case in which innovation is linked to social action, or more particularly to organisational change.

3. Methodology of the study

This study is based on the research being carried out with the Collective: a group of seven charity organisations working in the area of Children’s care in the U.K. The Collective was initiated by a large national agency in early 2001 and brought together a group of organisations to explore the opportunities afforded by shared accommodation. Through meeting and discussion a wider vision emerged of changing the way in which the children’s voluntary sector works together, to raise the profile of children’s issues and provide a resource to agencies seeking to develop innovative ways of working. Membership of the group fluctuated in the following two years settling down to a core group of seven children’s charities. The CEOs of the seven partner charities sit as directors and trustees of the Collective, guiding the strategy and development of the project. This

study focused on the views each partner organisation had regarding the potential for sharing what they call their 'collective knowledge'. It looked at the way knowledge is used, transferred, maintained and changed within the Collective's partner organisations.

The research was undertaken between March and June 2004 and involved members from the seven organisations participating in the initiative. Within each organisation different employees were interviewed. The participants were selected according to the interests and key positions they occupied in the organisation. Local research was carried out within each organisation through 18 face-to-face in-depth interviews and during a group discussion within one of the partner organisations. Documents from the different participating organisations (e.g. organisational charts, evaluation reports, leaflets, competency frameworks etc) were also reviewed and a 'knowledge audit' survey was also distributed among the seven partner organisations. The research team also conducted a reflect-back workshop⁴ highlighting the main findings of a preliminary analysis and the challenges and concerns as expressed by the partner organisations during the feasibility study. For the purpose of an accurate textual analysis of their contents verbatim transcriptions were made of the in depth interviews and of the group discussion. The questionnaires distributed among the partner agencies were analysed with the SPSS program.

Three levels of analysis were conducted of the corpus of data. The analysis identified commonalities that emerged in the individual narratives and coalesced across the corpus of data around the following three main questions: Organisational context, organisational working practices regarding knowledge and the level of resonance of the Collective's aims within each organisation. The thematic commonalities were conceptualised, where appropriate, with additional information gathered during the interviews and visits to the different organisations.

⁴ The 'reflect-back workshop' has the objective of validating findings from preliminary analysis and negotiate any misunderstanding through the exchange of views and ideas amongst members of the organisations interviewed and the researchers.

4. The Context of the Partnership

One of the main external issues affecting all organisations in our study was their *increasing dependency on project-based funding*. The children's voluntary sector (CVS) has become entangled in tense relationship with their funders. On the one hand the Government for instance is showing increasing interest in the preventive work with children that many of the Collective's partners are experts on and that increases their chances of gaining further funding. However, over the years the sector has become increasingly 'dependant' on that funding with the subsequent loss of independence. Moreover that funding is never completely secure and in many cases projects had been closed or discontinued because lack of continuous funding from either central or local Governments. Other funders are becoming also more demanding introducing more evaluation, performance and monitoring systems on the projects they support. This is affecting the way projects are being carried out and the type of employees the sector is hiring. There seems to be an increasing 'professionalisation' of the voluntary sector –more employees being hired from private sector organisations-. This also leads to an increasing need for more sophisticated marketing and fundraising programs in all organisations. There are however concerns regarding the different ethos –more market/corporate oriented- that is being promoted as a consequence of this cultural shift.

“Particularly our funders are becoming more commercial about the way they review things. I think historically you know you got a grant and it was like, off you go, and if you don't quite deliver what you said well never mind as long as you're doing good things and you can give us results we'll be fine. Whereas actually now funders are saying well, look you contracted to deliver x, now I want to see the evidence that x was delivered and I think you know there's been a culture shift from the funder end as much as anything else that, if we hadn't made these changes, we would be in a really difficult position when reporting back.” (Interview 8)

As a result the sector finds itself in a paradoxical situation: CVS organisations find themselves increasingly competing for scarcer

resources while at the same time being 'encouraged' to collaborate as a condition to gain access to those resources.

"It's a huge, huge time of change for the children's voluntary sector in particular and that's a good reason to work in partnership because you're stronger in partnership than you are alone." (Interview 2)

When considering partnership arrangements one of the key factors to consider is to which extent the organisations 'fit'. The Collective is composed of organisations that are roughly structured around a number of self-contained divisions. They operate through a centre/headquarters, which allows their operating units a good deal of freedom, provided they perform well. However, *co-ordination* tends to take place through an enormous amount of *informal contacts* at every level. This sometimes creates bottlenecks and problems in terms of communication and co-ordination strategies. Most organisations did indeed report a lack of clear *pathways to communication* that members from different regions, hubs or departments could use to share experiences or communicate problems. Technology –e.g intranets- is being used to allow people to communicate better within the organisation, after recognising that there was no formalised system in place that allowed them to do so. However, a good communication strategy goes further than the establishment of a technologically supported intranet since organisations that have intranets already in place are experiencing resistance to use them by their employees.

Regarding the external communication, most organisations in the Collective have introduced Websites that connect them to the public from where they can broadcast part of their activities. Moreover, most organisations send reports, newsletters etc. to their stakeholders. In some cases a very sophisticated web-based system has been recently put in place. And yet, in general it seems to be mainly a one-way communication process with very little feedback being incorporated from the stakeholders' groups. Indeed, access to technology and information is not the same as the capacity to render that information meaningful (Little and Ray, 2005). Moreover, one of the challenges of innovating the organisational processes among the Collective is not so much how much knowledge is needed or what to do with the

information they already have access to but rather how to manage the distribution of knowledge across different individuals and groups.

5. Collaborative working practices

Innovation is not only about developing totally new products or processes it also occurs when developing mainstream work activities. That is why the next level of analysis focused on the current organisational working practices among the Collective organisations. In general the employees of the different organisations are in favour of collaboration efforts among different departments/units within their own organisation. This is also supported by reports of frequent face-to-face contact and the support for the idea that personal work benefits from collaborating more with colleagues. However, the frequency of face-to-face contact as well as employees' awareness of what other departments were doing varies according to the size and hierarchical structure of each organisation. In bigger organisations face-to-face interaction and therefore collaborative work and decision-making becomes more difficult. The main constraints to collaborate internally seem to be time and distance. The following quote illustrates some of the problems experienced:

“Resources are the main problem; we just don't have the funding to pay for the posts to make time to collaborate as much as we would like. It means people just don't have time for collaboration as much as they would like. There are also management issues; people aren't sure who has the final say on things, so some issues drag on for months. It's not clear sometimes who has overall responsibility. Also, in our organisation if there is an issue with a member of staff being very difficult the management tend to bury their heads in the sand. It's very stressful for other people, so people try to avoid difficult staff.” (Survey: Open text).

The process of innovation according to Swan *et al* (1999) is shaped by the distribution of knowledge and information, the development of social relationships and the organisational culture, power and political frameworks in which it occurs. Among the Collective organisations there is a very strong informal network to which most of the CEOs and senior managers of the Collective belong and where they meet and share experiences and information. In a sense, a community of

practice (Wenger, 1998) has been established among them. There is some reproduction of that type of relationships at the lower hierarchical levels of the organisations since most employees have worked in similar voluntary sector organisations before their current job.

However, there seems to be a general lack of 'knowledge of the other' among the examined organisations. They do not have a clear idea of what the other organisations and their employees are doing. Although there might be current active pathways for collaboration, the different organisations need to start their collaboration activities, if they aim to eventually rely, support and trust each other (Huxham and Vangen, 2005). Indeed, the main concerns regarding external collaboration raised by employees were the potential for 'infighting and squabbling', the different 'cultures' and the potential lack of agreement to 'work honestly' in partnership. There are also concerns about working with organisations who may have a different ethos, culture and different administrative systems. The loss of a clear identity and a different approach to work with children are the main reported challenges that might inhibit collaborative work among the partners.

6. Knowledge Processes

Many approaches to knowledge assume a positive relationship between the accumulation of knowledge and the improvement in innovative capability and organisational performance (Hansen, 1999). Knowledge is treated as valuable in its own right and divorced from the necessary social action and tasks that actually generate changes in performance (Newell et al, 2002). As such, most knowledge initiatives in organisations aim to enhance the creation, capture and exploitation of knowledge. The underlying assumption is that the greater quantities of knowledge the more improvements on the organisation will follow.

This study looked at five processes in relation to knowledge among the Collective's partner organisations. The five core knowledge processes identified are: the identification, generation, storage, sharing and the use of knowledge. These processes are seen as performed in

support of wider organisational processes and are at the same time supported by different working methods and tools.

6.1. Identifying knowledge needs

We asked employees to reflect on what they thought their organisation needs to achieve and what is required in terms of information and knowledge to make it happen. It included an analysis of what they think already exists and what is missing both at the individual and at the organisational level. We also looked at the way they work and how that might affect knowledge flows.

In our analysis we have seen that across the different organisations examined, employees indicate that their job requires a high level of flexibility and that is essential for them to have access to new and up to date information in order to carry out their daily tasks and decision-making. Furthermore, the type of information that each organisation needs, uses and provides seems to be quite unique in many ways. The new information that they might need seems to be also quite targeted to specific stakeholders or audiences. And yet, there are types of information that all organisations seem to need (e.g. on government policies, about voluntary sector changes etc.). Information collectively held (e.g. in a general data base) might run the risk of being too general and/or irrelevant for some of the partner agencies. The need seems to be for identifying clearly the different organisations' information requirements and the information that each can –and will be willing to– share with the partnership.

“Not having an HR department, not even having a really an effective training, staff development strategy cos we haven't had anybody to write it for us and you know I haven't had time to do that, it's something that we're, we've got the point as an organisation where we feel we can't move forward now having developed this organisational competency framework, we actually can't move it forward now unless we start taking some time to look at that.” (Interview 3)

In regard to the implementation of innovative working practices at this stage there is certain attempt at 'agenda formation'. Thus, to look at the acquisition of new ideas outside each organisation and the

development of social capital through network relations (ICT based, professional associations, education courses etc.). In this regard the Collective is acting as a loose network that connects widely dispersed sources of knowledge since most people work mainly through informal networks (i.e. using contacts to gather knowledge and information). These are perfect occasions for exploring knowledge gaps and needs and yet as the quote above reports, organisations lack ‘reflective capabilities and time’ when it comes to identifying new knowledge needs.

6.2. Generating (new) knowledge

The generation of new knowledge is often the result of social interaction: through the establishment of experts groups, through disseminating best practices, brainstorming sessions, group decision making processes, external partners, benchmarking, through the interactions in open spaces, etc. (Newell et al, 2002). We had reports of many of these practices among the partner organisations but in general they seem very *ad hoc* and not systematic.

“We have all these associate people who are out working in the field doing probably good work wherever, but we don't often get to know those things unless informally so it's a kind of, like a bridging between the departments I suppose, is to try as much as you can to capture something of what they're doing, of what they're finding out there.” (Interview 6)

6.3. Storing knowledge

The tendency among the Collective was to have a ‘quantity approach’ to knowledge that resulted in some cases in information overload. In order to build upon knowledge related activities, these need to be embedded within the organisation. The study found that among the Collective's partners there is a strong use of document databases, libraries, specialist literature, handbooks, question and answer systems etc. Storing this explicit knowledge depends upon activities like selecting, organising and categorising relevant information or data (Probst, 2002) and there are a number of organisations within the

Collective, that have dedicated teams, or experts on knowledge processes. However there seemed to be some issues regarding the lack of regular updates and ‘purges’ of old content in those databases. Over long time periods the information that the Collective’s partners manage needs to be modified to adjust to current circumstances and changing contexts and issues.

“It’s the ‘so what factor’ in a way, isn’t it? We’ve got a load of data. I think one of the things we’re very good at is collecting lots of post and pre-intervention data. It’s actually and we process it and then now I think it’s a question of sitting down with those reports and saying so, and someone to challenge us and say what’s the messages coming out of this? Are there things we need to do differently and in different locations as well?” (Interview 8)

In some cases we found that they tried to ‘accumulate knowledge’ at the expense of other organisational tasks. This resulted in increased bureaucracy in the form of emphasis on routine to capture knowledge (regardless of its application). This emphasis on the supply of information sometimes neglects users’ requirements and demands.

Furthermore much of what is ‘stored’ in people’s brains and/or organisational routines will often remain there as ‘tacit knowing’ (Polanyi, 1969). As long as such people remain accessible one can say that their experience can be beneficial for the organisation and available for re (use). However, the voluntary sector seems to have an issue in terms of the sustainability of jobs and projects that it engages in, with a relatively high turn over of employees leaving their jobs due to discontinuities in funding. This ‘projectification’ of the sector (Pinto, 2002) results in employees’ training and experience being lost every time that a project ends. In order to leverage the potential of any learning for the next activity, sharing needs to be encouraged and facilitated.

“When we have managers that go because what happens then is that the manager who knows all the systems and the procedures and how things should be done goes and we get a new person in, it takes quite a long time to pick up an organisation’s systems and processes, which aren’t necessarily about the practice.” (Interview 4)

6.4. Sharing knowledge

Sharing can take place in many ways. People can try to codify and make their experiences available in such a way that other people can find them useful: databases or distributed documents. But they can also be shared via collaboration, group decision making practices, workshops, coaching, apprenticeships etc. Methods and tools that support the transfer of knowledge are: intranets and portals, databases, collaboration, libraries, Communities of Practice, job rotation, training seminars etc.

“We’re trying to encourage the development of management groups in units so that those managers and the unit managers meet regularly and talk about management issues and share out responsibilities so they might bring to the management group the IT policy for instance and decide how they're going to do it in their unit.” (Interview 4)

The survey found that, regarding the technology, use supporting the sharing of knowledge, the vast majority of employees within the Collective have access to a computer (97,6%) and therefore to the technical means to engage in some type of electronic transaction. Also most of them use word processing software (70,7%). One quarter (24,4%) of the employees also use Internet and email applications or other rather specific software packages such as web authoring software, scheduling software, database and multimedia applications regularly. This commonality of software programs being used across the partner organisations can be built upon to develop further collaborative working and group decision-making activities. On the other hand, we found that Intranets, white papers/blue/yellow pages are rarely used as well as other communication media. And this reflects one of the problems in technological implementations, the problem of using what gets stored (Nathan et al, 2003).

6.5. Using Knowledge

Knowledge can only really add value when it is used in the organisation. It seems that within the Collective partnership a lot of knowledge remains under-utilised. One of the problems that most

organisations experience in exploiting the information and data they have relates to the use –or lack thereof– of ICTs (Information and Communication Technologies) by organisational members (Nathan et al, 2003). In general among the Collective's employees, although the quality of technical equipment and software does not appear to be an issue, its integration into daily work practices seems to be. As revealed by the survey, an appropriate ICT infrastructure needs to support the knowledge demands of its users (e.g. in terms of sharing a common folder structure and filtering relevant information) and to be user-friendly enough. Therefore, the development any ICT system should be strictly in close co-operation with its users.

While there is an important technological aspect to the ability of people to use knowledge there is also a non-technological aspect that needs to be taken into account: motivation to use it. We have found that in general, among the Collective's employees, knowledge activities were not clearly communicated, understood or accepted. To improve this situation roles and responsibilities related to processes and knowledge activities should be made clear. Recognition for knowledge work and rewards might become important to make knowledge activities sustainable (Choo and Bontis, 2002). This activity determines the knowledge needs of the organisation and should always serve as a reference point for the knowledge to be created stored and shared.

7. Partnering

The third level of analysis explored the resonance of the Collective's aims with each organisation's perceived way of working and vision for the future. The general question we aimed to answer was: How would the partnership affect each organisation? Which are the partnership's program advantages and potential challenges in the eyes of its members? This enabled us to identify to which extent the partnership ideal comes close to the expectations and needs of the employees of the partner organisations enabling them to express their visions for the future.

Partner organisations were in general extremely positive regarding the partnership. In general there was an agreement that belonging to

the partnership should imply to build on individual strengths and knowledge distributed across organisations rather than to become competitors. Being part of a bigger umbrella organisation might also help to create new directions (e.g. services, links or ‘products’) for the partner organisations. There is also the strong advantage of being able to speak with one voice in different forums.

“My view has always been, the more we speak of one voice, if there's 80% of stuff we can agree on and we've got a common area of interest, then we'd be far more powerful working together and we may have to sacrifice the 20% for now. But actually I'd rather work in that 80% area of consensus because I think we'll be far more likely to have the impact that we want.” (Interview 14)

However, employees of the different organisations are also concerned. The challenges that they mentioned could be divided into *challenges of collaborative work* and *the impact that the partnership will have for each organisation*. Regarding the challenges of collaborative work people focused mainly on the need for transparency and trust building among the partners. This is an important issue if the concerns about competing for fundraising – expressed by all organisations- and the danger to each organisation's identity –expressed as ‘brand competition’ – are to be overcome. This is currently hindered due to the lack of knowledge about each other that the organisations report. There are also limits to how much information organisations are willing to share or provide for other partners –in some cases due to the confidential nature of the information-. Whereas there seem to be room for different levels of engagement in the partnership process there are also concerns about the levels of commitment that each organisation will bring to the table.

In terms of the impact that the partnership might have for each organisation, personally people were concerned about the amount of work that another change –i.e. in governance and/or management structures- could bring to their already busy schedules. They were afraid of an overload of work due to recent organisational changes. At the organisational level, their main concern was the possibility of losing their own organisational identity/brand when integrated into a wider organisation. At the same time some of the organisations are

more ‘in a hurry’ to make the partnership work than others and the different ‘timescales’ are seen as a potentially conflictive issue.

“I think, I don't think any of us want to lose our own identity and I think we mustn't otherwise it'll become a complete blur.” (Interview 1)

8. Some reflections on the case study

The primary objective of the organisations that the study addresses is to deliver better services to their stakeholders. In order to fulfil this task, the managers and employees already use their personal know-how, the knowledge of the organisation, their funders, stakeholders etc through a process of interaction and collaboration. Using ‘knowledge’ is not new in itself. Any new knowledge initiative can therefore build upon and improve existing collaborative working practices and decision-making activities and could aim to make all the stakeholders more aware of the role of knowledge in the process that they are part of (Choo and Bontis, 2002). When innovation is expected from the implementation of knowledge initiatives, it is also important to understand what is the purpose of those initiatives; accumulating knowledge does not necessarily lead to gaining advantages in performance.

In addition to supporting the improvement of the core processes of each organisation, knowledge activities are also being developed within its supporting processes: competence management, different methods for intellectual property management (e.g. patents and copyrights of the different training methods that some partners already provide). These processes are not limited to each organisation's boundaries. VSO and especially in the case of the Collective, are increasingly building networks, supply services, etc where they could share their resources and learn from each other. Long-term partnerships could be established among the different partners in order to develop new ‘products’ and services that a single organisation could not cope with (Kanter, 2001).

When aiming to implement a general knowledge project, the different organisations involved in the partnership are engaged in assessing their ‘knowledge gap’ and incorporate it in the process.

There were also reports regarding the need to identify and organise the different knowledge activities implied in the process. These knowledge activities however are perceived as not being clearly communicated, neither are they in general clearly understood and accepted. Roles and responsibilities related to processes and knowledge activities are not being made clear. If this is not done, the risk is that the activities will not be sustainable: other priorities will push the knowledge activities back and ambition levels will decrease (Probst, 2002). Some organisational structures, such as network structures, might be more supportive of these types of activities than hierarchical structures, which are backed up by more rigid organisational procedures (Kallinikos, 2004). According to Wenger (1998) when thinking of sharing and developing new ideas and knowledge it is crucial to create the circumstances, in which people can meet, work together and share their ideas and experiences. Instruments like coaching, Communities of interest among employees from the different partner organisations, job rotation etc. seem to be more appropriate to create those spaces.

On the other hand, some kind of technology is normally required to support an organisation's knowledge handling and decision making activities. This particularly requires that organisations think about their technical infrastructure, so that people can be connected and able to interact. However, the technology used, developed or imported needs to be functional, easy to use and appropriate, standardised, so that networking can really take place (Newell et al, 2002). As such, the technology can focus on supporting various aspects of the knowledge activities. There is also a non-technical component of the infrastructure: this can also include facilities that support knowledge handling and decision-making activities, such as dedicated meeting facilities, help desks and office spaces designated to stimulate knowledge sharing behaviour among employees. According to Little and Ray (2005) the choice of support process, and associated tools, should be made very carefully; it should fit as seamlessly as possible into the natural way of working of the individual and the organisation.

Regarding the development of innovative working and decision-making-practices as Newell et al (2002:146) suggest, productive innovation processes cannot be forced to occur but must be actively enabled fostering an environment, which supports organically

occurring opportunities for social interaction and experimentation. This practice-based view on innovation implies that innovation comes about not in a smooth and orderly manner but rather through various competing and disrupted forms where conflict and power struggle to play a central role (Hellstrom, 2004).

Innovation has been considered in this paper as a process linked to decision-making and social action (Hellstrom, 2004). As such, it is shaped by factors such as the distribution of knowledge and information across the different organisations of the Collective, the development of social relationships and the organisational culture, power and political frameworks in which that innovation is expected to occur. The main challenge of innovating organisational processes among the Collective is not centred on how much knowledge is needed in order to do so but rather on how to manage the distribution of knowledge across different individuals, groups and organisations. In this case it seems that innovating on organisational practices has to do more with managing conflict and collaboration than with accumulating knowledge.

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